(c) how much penal interest was collected by all banks during the year 1993-94; and

(d) whether Government propose to reduce the rate of penal interest?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) and (b) Reserve Bank of India (RBI) has prescribed minimum lending rates for different category of loans and advances and banks are free to charge rate of interest based on, among others, the credit worthiness of the borrowers. Thus there could be instances of varied rate of interest being charged by the banks. However, the rate of penal interest that can be changed by banks is restricted upto two per cent over and above the normal/usual rate of interest on advances applicable to the respective borrowers. No penal interest is charged for loan upto Rs. 25,000/- under priority sector.

(c) RBI has reported that the aggregate quantum of penal interest collected by all banks in the year 1993-94 is not available with them since there is no prescribed return/statement to collect such information from banks.

(d) RBI has no proposal for reducing the rate of penal interest at present.

Pending loan applications in banks in Nagpur

1960. DR. SHRIKANT RAMCHANDRA JICHKAR: Will the Minister of FINANCE be pleased to state:

(a) how many loan applications are pending in various Banks in Nagpur district of Maharashtra and since when;

(b) what are the reasons for delay in disposing of these applications; and

(c) what steps are being taken to make an early disposal of these pending applications?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) to (c) The reporting system of data does not generate district-wise/State-wise/region-wise information regarding number of applications received, number of applications rejected and the number of applications under consideration. However, Reserve Bank of India (RBI)'s guidelines for providing advances to priority sector issued to all banks, inter-alia, provide that all the loan applications upto a credit limit of Rs. 25,000/- should be disposed of within a fortnight and those over Rs. 25,000/- within eight to nine weeks. The loan applications are received by the bank branches directly from applicants or through some State sponsored agencies, and are sanctioned accordingly. Any complaint received by the banks regarding delays in disbursement of loans or harassment of borrowers by any middleman in investigated by them with a view to take remedial action.

Grievance of Kashmiri migrant employees of Ellaquai Dehati Bank

1961. SHRI JAGMOHAN: Will the Minister of FINANCE be pleased to state:

(a) whether Government have not yet redressed the long standing grievances of the Kashmiri migrant employees of the Ellaquai Dehati Bank;

(b) whether Government are aware of the continued hardship of 192 employees, consequent to separation from their families and non-payment of salaries;

(c) whether, the proposal to merge Ellaquai Dehati Bank with the State Bank of India has been stalled, despite Government's sympathetic attitude, by the Management of the Bank;

(d) whether in the alternative, Government are considering permanent adjustment of the 192 Kashmiri migrant-employees in various branches of the State Bank of India so as to enable these employees to live with their families which have suffered due to the terrorism in Kashmir;

(e) whether Government have employed 300 persons from the valley of Kashmir in the State Bank of India by relaxing the normal procedure of recruitment; and

(f) why discriminatory attitude has been adopted by the State Bank of India/ Government towards the migrant employees ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) and (b) Government redeployed such employees of Ellaquari Dehati Bank which is a Regional Rural Bank set up under the RRB Act, 1976 who had migrated from Kashmir Valley. in other RRBs situated in the adjoining. States viz. Himachal Pradesh, Haryana, Uitar Pradesh, Rajasthan, Madhya Pradesh etc. and these employees were getting their salaries from these Regionl Rural Banks (RRBs). In the recent months some of these employees are reported to have left their places of posting and staying at Jammu on their own. Since they have left the RRBs in which they were redeployed they did not get their salaries for the last fe months. However, on consideration of the whole issue the Chairman of Ellaquai Dehati Bank (EDB) was requested to pay an adhoc advance of three months salary to such employees on humanitarian grounds in consultation with Ministry of Home Affairs.

(c) and (d) State Bank of India (SBI) is a public sector bank estblished under the SBI Act, 1955 and the Ellaquai Dehati Bank is a RRB established under the RRB Act, 1976 and therefore is a different legal entity. Merger of Ellaquai Dehati Bank with the State Bank of India or deployment of Ellaquai Dehati Bank employees in the State Bank of India is not permissible under these Acts.

(e) In 1991, a special recruitment drive wise conduct by the Staff Selection Commission (SSC) to select cnadidates for filling up of vacancies in the Offices of various Government Departments, including State Bank of India, located in the Kashmir Valley. Normally the recruitment for public sector banks is made through Banking Service Recruiment Boards (BSRBs). However, the recruitment for State Bank of India in Kashmir Valley was entrusted to Staff Selection Commission in order to cut delays as also to provide better employment opportunities to local candidates.

(f) No discriminatory attitude has been adopted by State Bank of India/ Government to Ellaquai Dehati Bank employees.

Export of gold jewellery

1962. SHRI RAMDAS AGARWAL: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to a news item publiched in the Hindustan Times dated 19th July, 1994 captioned "Jewellery exporters up in arms";

(b) if so, whether indecisions of the Central Board of Excise and Customs (CBEC) to allow export of gold jewellery manufactured in the country from the Export-Processing Zones (EPZ) has led to acute discontentment among the jewellery exporters apart from loss of foreign exchange to the Exchequer; and

(c) whether any representation from NEPZ in this regard has been received by Government; if so, what action has been taken thereon so far nad if not the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) Yes, Sir.

(b) and (c) At present export of gems and jewellery from units located in the Export Processing Zones is permitted through air as commercial cargo. It has recently been decided to allow the exports by such jewellery units through the medium of Post Parcels also. Requests had been received from some exporters of gems and jewellery having their units in the Export Processing Zones (including those in the Noida Export Processing Zone). *inter-alia* for grant of permission to export jewellery items through personal baggage. The request is under consideration